

## **COMPETITIVE STUDY OF SUZUKI AND TOYOTA AUTOMOBILE COMPANY WITH SPECIAL REFERENCE TO CUSTOMERS BRAND LOYALTY**

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### **ABSTRACT**

The research was conducted with the major aim to compare the consumer preference towards passenger cars of Maruti Suzuki and Toyota Motors in vadodara Region. Convenience sampling technique was adopted with the sample size of 50 respondents. The primary data for the study was collected using a self - designed questionnaire.

Someone has rightly said that practical experience is for better and closer to the real world than mere theoretical exposure. The practical experience helps the students view the real world closely, which in turn widely influences their perceptions and argument their understanding of the real situation.

Research work constitutes the backbone of any management education programme. A management student must do research work quite frequently during his entire span.

The research work entitles " Comparative study of Customer Preference towards Automobile Sector with reference to Maruti Suzuki and Toyota ". In this research we compare both company market share in vadodara and what consumer like in their brand and for what reasons they face while choosing them and their expectation with their respected company and we will also see which company gives most preferable services and have good relation with consumer and what factors are affecting consumer to choose their company for opting product

**Keywords:** Automobile, Comparative, Price, Preference, Re-Sale Value.

### **I. INTRODUCTION**

Automobile Industry comprises all the automobile vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycles. India's Automotive Market was valued at USD 100 billion in 2021 and is expected to reach USD 160 billion in 2027, registering a compounded annual growth rate (CAGR) of 8.1% over the forecast period (2022-2027). India is the 4<sup>th</sup> largest producer of Automobiles in the world, with an average annual production of more than 4 million motor vehicles. India is the largest tractor manufacturer, second-largest bus manufacturer, and third-largest heavy trucks manufacturer in the world. The Electric Vehicle (EV) market is estimated to reach Rs. 50,000 crore (USD 7.09 billion) in India by 2025. Share in Gross Domestic Product (GDP): 7.1%. Share in India's exports: 4.7%.

The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. The two wheelers segment dominates the market in terms of volume, owing to a growing middle class and a huge percentage of India's population being young. Moreover, the growing interest of companies in exploring the rural markets further aided the growth of the sector. The rising logistics and passenger transportation industries are driving up demand for commercial vehicles. Future market growth is anticipated to be fuelled by new trends including the electrification of vehicles, particularly three-wheelers and small passenger automobiles.

India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy trucks manufacturer in the world. India's annual production of automobiles in FY22 was 22.93 million vehicles.

### **II. LITERATURE REVIEW**

Dhruv Mathur, Avdesh Bhardawaj (2018) in their research paper they concluded that the buying behavior of the consumer about the car is dependent on the brand image of the car and manufacturer. Also, the engine type and efficiency with the strong advertising are the most dominant factors which influence the potential

consumers. So, the manufacturer needs to maintain the quality and positioning the brand image in the mind of consumer with the use of an advertising and marketing which is important factor.

Dr. R. Menaka, K. Ashath (2014) in their research paper concluded that the continuous changes in the lifestyle of consumers have reason for the change in the market which leads to the globalization and integration of economies. The new consumers are difficult to segment by conventional demographic tools unless the buying behavior of the consumer is fully understood. Decision on product design, product variants, branding and distribution channels responds if the consumer preferences are predicted up to a certain extent and proper analysis of the preferences of consumers, they implement their decisions in order to satisfy the consumer in long run.

Dr Sukhvir Singh, Mr Inderpreet Singh (2018) in their research paper concluded that discounts and other offers given by companies more attract to the customers and influence the customers to buy the product and also concluded that the customers are fully satisfied with Maruti's promotional efforts and are well aware of the cars offered by Maruti. As per the analysis found that majority of the customers are using the specific brand for a very long period of time which concluded that consumer does not switch easily from one brand to another.

C.S. Gowtham Chakravarthy, Ankit Kumar (2018) in their research paper they found that customer behavior study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. It blends elements from psychology, sociology, social anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups. Its studies characteristics of Individual customers such as demographics and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the customer from groups such as family, friends, reference groups, and society in general. Relationship marketing is an influential asset for customer behavior analysis. A greater importance is also placed on customer retention, customer relationship management, personalization, customization and one-to-one marketing.

### **III. RESEARCH METHODOLOGY**

Research is an art of scientific investigation. In other word research is a scientific and systematic search for pertinent information on a specific topic. The logic behind taking research methodology into consideration is that one can have knowledge about the method and procedure adopted for achievement of objectives of the project. With the adoption of this others can evaluate the results also. Its main aim is to keep the researchers on the right track. It describes the data collection method, the sampling plan, the tools of investigation, planning and testing of questionnaire and the limitations of the study. The study requires the data to be collected from two different sources i.e., the primary source and the secondary source.

#### **TYPE OF RESEARCH DESCRIPTIVE RESEARCH:**

Descriptive research includes surveys and fact - finding enquires of different kinds. The major purpose of descriptive research is description of the situation as it exists at present. In social science and business research we often use the term Ex post facto research for descriptive research studies. The main characteristic of this method is that the researcher has no control over the variables; he can only report what has happened or what is happening

#### **RESEARCH DESIGN**

The design of a research is a plan or a model that helps researcher to conduct a formal investigation and survey. It is an application of methods and procedures for acquiring the information needs for getting a desired outcome. It decides the sources of data and methods for gathering data.

#### **SOURCES OF DATA COLLECTION**

As learning is a human activity and is as natural as breathing. Even though learning is all pervasive in our lives, psychologists do not agree on how learning takes place. How individuals learn is a matter of interest to marketers. They want to teach consumers in their roles as their roles as consumers. They want consumers to learn about their products, product attributes, potential consumers benefit, how to use, maintain or even dispose of the product and new ways of behaving that will satisfy not only the consumer's needs, but the marketer's objectives.

## TOOLS AND TECHNIQUES

The data was collected through questionnaire method. Again, the research is descriptive type. The analysis is done through the tabular and graphical representation.

## IV. ANALYSIS OF DATA

Nature of Research - Descriptive Research Approach Survey Sample Size - 50

Sampling Criteria - Random Sampling Research instrument – questionnaires

## DATA ANALYSIS AND INTERPRETATION

Data Analysis is the process of systematically applying statistical and / or logical techniques to describe and illustrate, condense and recap, and evaluate data.: While data analysis in qualitative research can include statistical procedures, many times analysis becomes an ongoing iterative process where data is continuously collected and analysed almost simultaneously.

## DATA ANALYSIS AND INTERPRETATION

**Which company offer you best pricing?**

- Maruti Suzuki
- Toyota

OFFER BEST PRICING	No. of respondents	%
Maruti Suzuki	25	58%
Toyota	18	42%

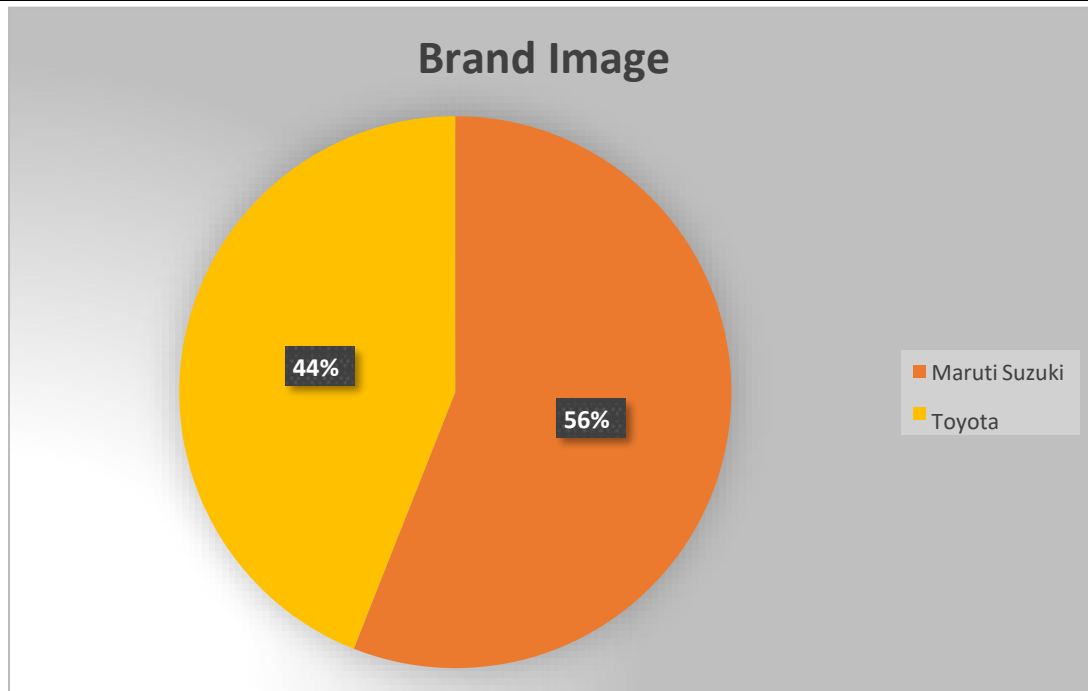


**INTERPRETATION:** It was found that 58% respondents were thing that Maruti Suzuki provide best price of their car while 42% respondents where thing Toyota provide best prices for their cars.

## Brand Image:

- Maruti Suzuki
- Toyota

FINANCE SCHEME	No. of respondents	%
Maruti Suzuki	24	56%
Toyota	19	44%

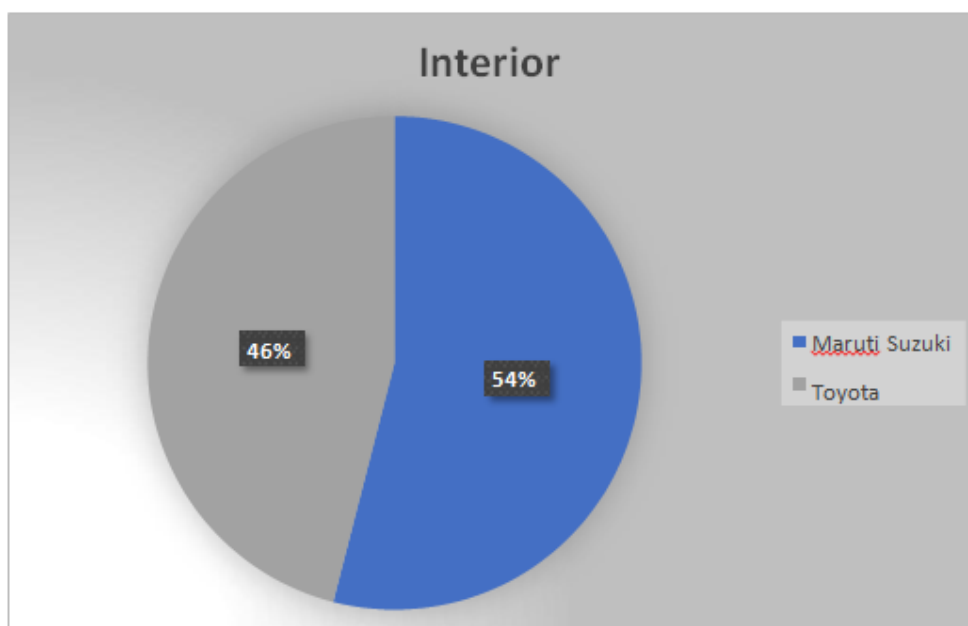


**INTERPRETATION:** It was found that 56% respondents think Maruti Suzuki has good brand image that's why they purchased Maruti Suzuki car because of its brand value while 44% of respondents choose Toyota for the same.

#### Interior:

- Maruti Suzuki
- Toyota

INTERIOR	No. of respondents	%
Maruti Suzuki	23	54%
Toyota	20	46%

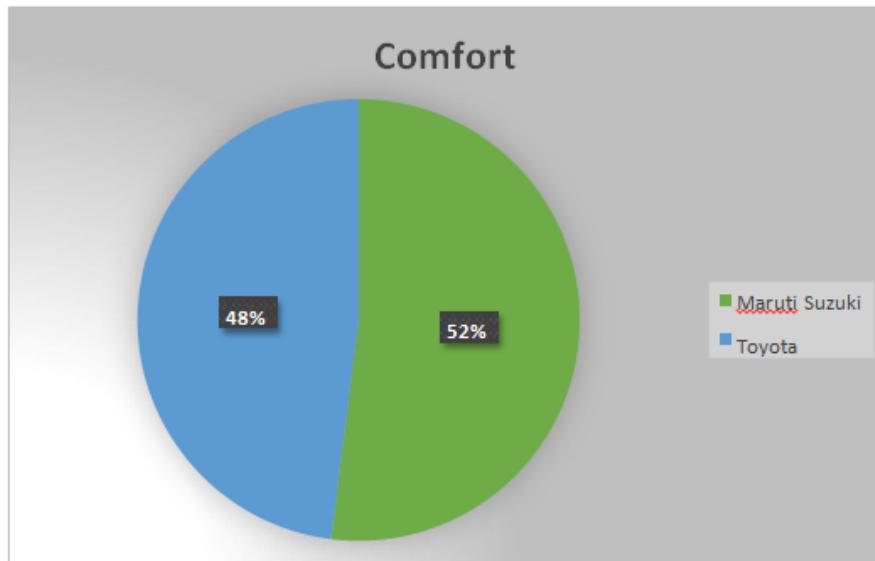


**INTERPRETATION:** It was found that 54% respondents think Maruti Suzuki has good interior design in their cars while 46% of respondents choose Toyota for the same.

### Comfort:

- Maruti Suzuki
- Toyota

COMFORT	No. of respondents	%
Maruti Suzuki	22	52%
Toyota	21	48%

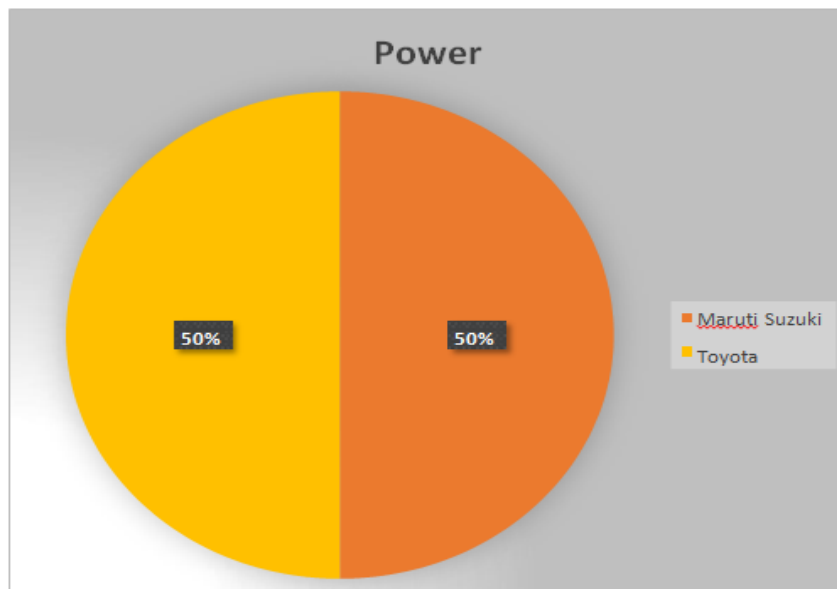


**INTERPRETATION:** It was found that 52% respondents find that Maruti Suzuki provide good comfort in their cars while 48% of respondents choose Toyota for the same.

### Power

- Maruti Suzuki
- Toyota

POWER	No. of respondents	%
Maruti Suzuki	22	50%
Toyota	21	50%

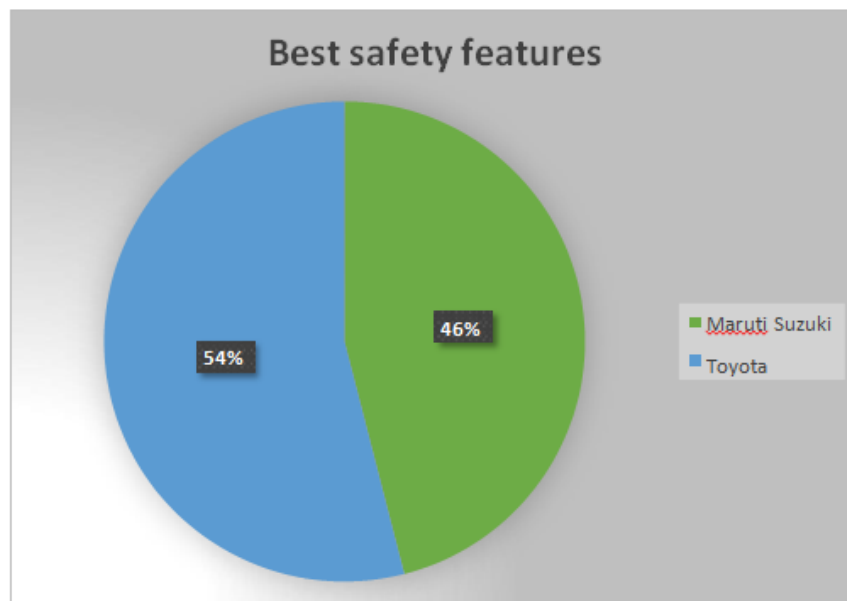


**INTERPRETATION:** It was found that 50% respondents find that Maruti Suzuki has powerful engine while 50% of respondents choose Toyota for the same.

**Which company provides you best safety features?**

- Maruti Suzuki
- Toyota

POWER	No. of respondents	%
Maruti Suzuki	20	46%
Toyota	23	54%



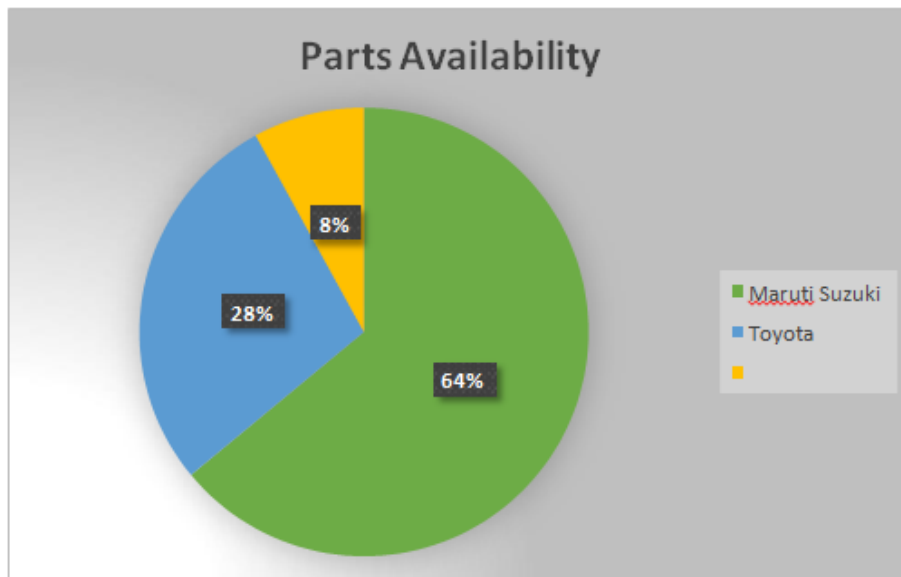
**INTERPRETATION:** It was found that 46% respondents find that Maruti Suzuki provide best safety feature in their cars while 54% of respondents choose Toyota for the same.

**Which company service centre gives you better services in following criteria?**

**Parts Availability**

- Maruti Suzuki
- Toyota
- Both

PARTS AVAILABILITY	No. of respondents	%
Maruti Suzuki	27	64%
Toyota	12	28%
Both	4	8%

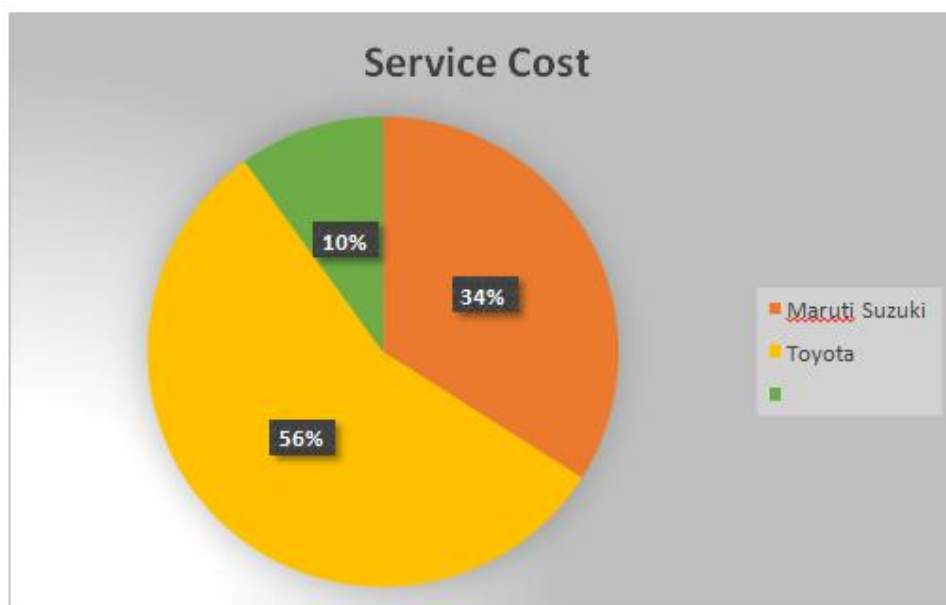


**INTERPRETATION:** It was found that 64% respondents find that Maruti Suzuki has very good range of parts availability. At Maruti Suzuki parts are easily available while 28% of respondents choose Toyota for the same. And 8% of respondents think that both Maruti Suzuki and Toyota parts are easily available for their car.

#### Service Cost

- Maruti Suzuki
- Toyota
- Both

SERVICE COST	No. of respondents	%
Maruti Suzuki	15	34%
Toyota	24	56%
Both	4	10%

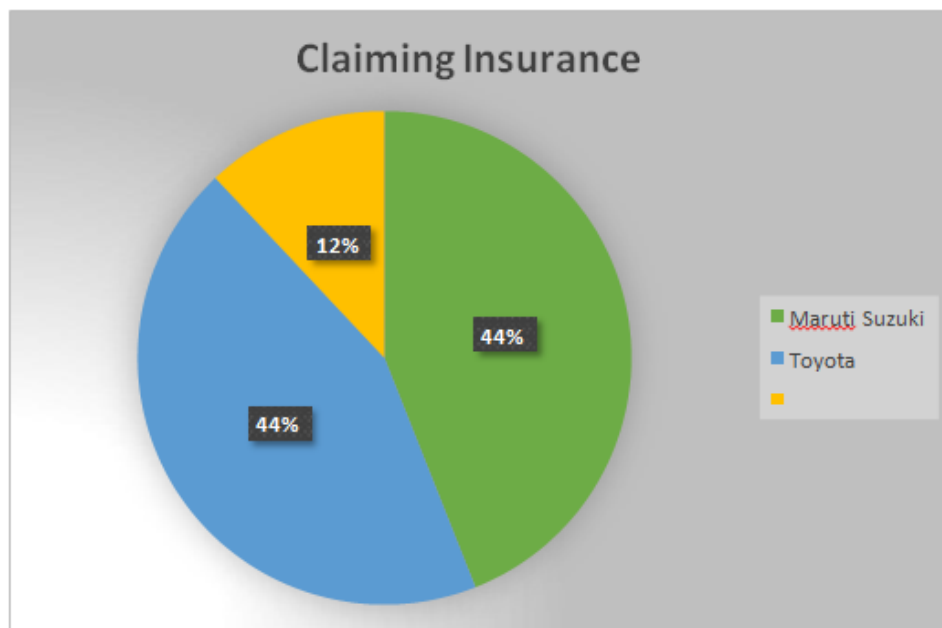


**INTERPRETATION:** It was found that 34% respondents find that Maruti Suzuki has less service cost for their car at their authorized service center while 56% of respondents choose Toyota for the same. And 10% of respondents think that both Maruti Suzuki and Toyota has less service cost for their services.

### Claiming Insurance:

- Maruti Suzuki
- Toyota
- Both

CLAIMING INSURANCE	No. of respondents	%
Maruti Suzuki	19	44%
Toyota	19	44%
Both	5	12%



**INTERPRETATION:** It was found that 44% respondents found that Maruti Suzuki company has good insurance claiming process and policy for the car holder. We can easily claim for the damage from the insurance company while 44% of respondents choose Toyota for the same. And 12% of respondents think that both Maruti Suzuki and Toyota has good insurance claiming process.

### V. CONCLUSION

- Customer satisfaction is crucial for business performance, as it is the driver of customer loyalty and consecutive retention. One could say that it is much more expensive to acquire new customers than retain current ones, as the costs associated with the customer, recruitment is higher than those connected with customer retention.
- It is obvious that satisfied customers, satisfied employees and satisfied shareholders all have one common characteristic- they are positive and enthusiastic about the company they are dealing with.
- The automobile companies if want to retain their customers for long should focus on appropriate marketing mix. Similarly, the automobile companies should develop an efficient system of receiving complaints and encourage consumers to record their complaints as soon as they occur, and efficiently resolve their complaints.
- For this constant meeting with customers, dealers, telephone enquiry can be a good option. Automobile companies should periodically conduct meetings with marketing & sales managers, Production managers, and customer care officers to frame innovative strategies.
- The rigorous competition in the automotive industry cannot be ignored. Therefore, the more players, the greater the competition. Companies need to be on their toes to devise means by which they can establish their brand equity in the market.



- This has shown that both companies have been successful in meeting the needs of their respective customers.
- Although Maruti Suzuki has much strong presence in Brand loyalty intension in its consumers even in its performance than Toyota this parameter is an important aspect to satisfy consumer's needs.
- Toyota and Maruti Suzuki car companies have worked competitively in brand advertising, such as Celebrity Face, social media, Public Campaign and Print Advertising, each of which has made a strong presence there.
- Thus, the comparative analysis here between two-car brand has shown that Maruti Suzuki car has the dominant position in the overall brand image of the company than Toyota and also satisfies its consumers with expectations that build trust and loyalty to the car brand.
- Due to the higher economic growth, Comfort and prestigious status demand for cars are increasing continuously.
- The analysis of the collected data indicated that a majority of the sample respondents are satisfied using Maruti Suzuki Brand where they convened with price, quality, performance and services back up the car owned.

## VI. LIMITATIONS OF THE STUDY

No matter what efforts were put in the collection of data, the study faced some limitations some of the problems faced were:

- Limited time period: the time period allotted for the study was short. Therefore, many aspects could not be explored.
- Small no. of respondents: the number of employees willing to respond was limited.

## VII. SUGGESTIONS

The customers are spending high maintenance cost as it is to be reduced and controlled by the manufacturer. Customers are expecting more advertisements using normal language terms to mention the specifications. Toyota Car customers are facing problems in mileage & performance, so this is to be taken care. Maruti Suzuki customers getting offers and benefits also expecting some additional benefits so stick to Maruti only. Redesigning of Toyota and Maruti Suzuki cars will make the cars more attractive and competitive. This allows them to succeed in the market and to compete with the other car competitors. The users with the income of above six lakhs are looking for other brands. Maruti must address this specific segment by developing innovative models to fulfil the needs of high-income group people to maintain market leadership over a long period of time. Maruti's respondents are impressed with the performance and display of the products. Toyota car respondents are dissatisfied with fuel efficiency. In order to increase the capacity of vehicles, a range of additional facilities have to be integrated into the Maruti and Toyota.

Maruti Suzuki is required to work on its social media Team to connect end-users further by advertising additional service offerings, etc. Toyota should improve in the Print Media advertisement. So, both car companies will achieve success in attracting customers. Thus, the comparative analysis here between two-car brand has shown that Maruti Suzuki car has the dominant position in the overall brand image of the company than Toyota and also satisfies its consumers with expectations that build trust and loyalty to the car brand.

## VIII. REFERENCES

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